

Memorandum

Date: December 13, 2004
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To: John L. Geesman, Presiding Member
William J. Keese, Associate Member

From: California Energy Commission – Jack W. Caswell, Project Manager
1516 Ninth Street
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Subject: **BLYTHE ENERGY TRANSMISSION LINE STATUS REPORT #1**

Energy Commission staff (staff) in coordination with Western Area Power Administration (Western) and Bureau of Land Management (BLM) conducted two days of workshops; one on November 1, 2004, at the Energy Commission and a continuation of that workshop on November 23, 2004, at the California Independent System Operator (CA ISO) facility. Additionally, staff provided the Blythe Energy Project (BEP) with Data Requests (1-99) on November 1, 2004 and received responses to those requests on November 30, 2004. Based on the data responses staff is developing a second set of Data Requests that will be filed by December 17, 2004.

SCHEDULE

Staff's goal remains to meet the original 7-month schedule proposed at the Information Hearing and Site Visit. To that end, Staff, Western, and the BLM are working toward the publication of the draft Staff Assessment/Environmental Assessment (SA/EA) by January 7, 2005. However, at this time it appears likely that key information, including a complete System Impact Study (SIS), will not be finalized in time for staff to complete its analysis for the Final SA/EA in order for the Energy Commission to render a decision on the project that meets the original schedule. The attached draft schedule indicates the potential for significant delays, given the likelihood that receipt of key information will be delayed.

For staff to complete the final SA/EA the following critical information will need to be completed by BEP. Without this data we cannot complete the final assessment of the proposed project and meet CEQA/NEPA requirements or provide meaningful recommendations. A discussion of the following is included in Potential Issues on pages 2 and 3.

- Draft Drainage, Erosion, Sediment Plan
- Cultural Resource studies and mitigation measures where necessary
- FAA determination
- Biological Assessment with mitigation measures that has been accepted as complete by Western and USF&WS
- Amended System Impact Studies
- Short Circuit and Stability Analysis
- Facilities Studies that identify all mitigation measures
- CA ISO and Western preliminary interconnection approvals

Based on the above, we have revised the draft schedule showing critical event dates. The schedule includes estimates by BEP and staff when certain documents will be completed. Staff and BEP are in agreement with the schedule through publication of the draft SA/EA. Additionally, staff and BEP are in agreement that the schedule beyond the draft SA/EA would be difficult to determine because of the complexities of the studies being completed, and the dates these documents would be provided. Nevertheless, staff has proposed a schedule through the final SA/EA based on the best information we have at this time. Regardless of whether the information comes in sooner or later than expected, staff will complete the final SA/EA within 20 days of receipt of the last critical piece of information.

POTENTIAL ISSUES

TRANSMISSION SYSTEM ENGINEERING

During the staff's and the CA ISO review of the System Impact Studies (SIS), conducted by Southern California Edison (SCE), it was agreed that the studies provided are incomplete. The reports address down stream impacts (system reliability and criteria violations) and preliminary measures to mitigate these impacts. However, staff and the CA ISO agreed that the areas of impact were not completely identified, and mitigation options were not fully addressed for the transmission modifications proposed by BEP.

BEP has agreed to have SCE redo the SIS with input from the CAISO, Western, and staff on the scope of the analysis. BEP has indicated that the new SIS reports will be available in February 2005 to be followed by the stability and fault current studies.

The CAISO has agreed to expeditiously review the amended SIS, short circuit, stability, and facility studies.

Additionally, BEP filed two separate SIS prepared by Western on November 30, 2004 for the Buck Boulevard Substation. These studies are for the transmission system owned and operated by Western, and not part of the SCE owned or operated transmission system. These studies will be considered in the revised SCE SIS.

BIOLOGICAL RESOURCES

A complete Biological Assessment (BA) has not been filed with Western and the USF&WS. Staff has provided input on the draft BA and is working with BEP to meet their suggested January 13, 2005 time frame for this document review and acceptance by the USF&WS as complete. However, since the Biological Assessment has not yet been filed, it is unlikely that Western and the USF&WS will be able to process and accept the Assessment by January 13th. Additionally, staff and the BEP are in disagreement regarding the perimeters of Desert Tortoise Habitat in the BEP area. Staff continues to work with the applicant and the USF&WS to resolve this issue.

CULTURAL RESOURCES

In order to complete a CEQA analysis for the Blythe Energy Project, the applicant must provide complete cultural resources surveys and an evaluation of those resources that would be impacted by the project. Those surveys have not been provided but are proposed to be provided by the applicant in February, 2005. Western is currently consulting with the California State Historic Preservation Office regarding the Area of Potential Effect (APE). If all cultural resources can be avoided, publication of the Cultural Resources technical section for the Final EA/SA can be completed by the first part of March, 2005. If cultural resources are impacted, the evaluation and mitigation are unknown at this time and would need to be determined prior to completing the SA/EA.

TRAFFIC, TRANSPORTATION AND LAND USE

The alignment of transmission line power poles 8 through 27 near the Blythe City Airport could pose an aviation safety issue. At the November 10, 2004 Informational Hearing and Site Visit, Butch Hull, the Assistant City Manager/Airport Manager for the City of Blythe informed staff that the height of the proposed power poles would create a flight path problem. Mr. Hull suggested that re-aligning the poles to an existing right-of-way would resolve the City's concerns. Staff is evaluating both this route and the route proposed in the amendment.

The potential issue of tall structures, such as transmission line poles and towers, affecting navigable air space is generally addressed by project proponents corresponding with the Federal Aviation Administration (FAA), under the auspices of Title 14 of the Code of Federal Regulations, Part 77. The project owner initiated this process on November 8, 2004 by filing FAA Form 7460-1 (Notice of Proposed Construction or Alteration) for the proposed Blythe Transmission Line Project. Staff will need to review FAA's resulting determination before it can reach a conclusion as to whether the project would have a significant impact on air traffic safety and completely address Mr. Hull's concern.

Attachment

cc: Proof of Service

Blythe Energy Transmission Line Major Amendment Staff Proposed Schedule

<u>Activity</u>	<u>Date</u>
Petition filed by project owner	Oct 12, 04
Staff files Data Requests	Nov 01, 04
Staff files Issue Identification Report	Nov 03, 04
Committee holds Information-Scoping Hearing and Site Visit	Nov 10, 04
Staff Data Request and Issue Workshop	Nov 15, 04
Continued Data Workshop	Nov 23, 04
Project owner provides Data Responses	Nov 30, 04
*Draft Drainage, Erosion, Sediment Plan to Staff	Dec 13, 04
Preliminary Local, State, and Federal agency comments	Dec 14, 04
Second Set of Data Requests issued by Staff	Dec 17, 04
Draft SA/EA filed	Jan 07, 05
*BA Deemed Complete by USF&WS	Jan 13, 05
Second Set of Data Responses issued by Project Owner	Jan 18, 05
Draft SA/EA Workshop	Jan 24, 05
*FAA Form 7469-1 Determination	Jan 31, 05
Local, State, and Federal agency comments on SA/EA	Feb 07, 05
*Cultural Resource Surveys	Feb 15, 05
*Amended System Impact Study	Feb 28, 05
*Short Circuit and Stability Studies	Mar 15, 05
*Facility Studies	Apr 15, 05
*CAISO and Western Interconnection Approval	May 16, 05
SA/EA Workshop	May 23, 05
Final SA/EA filed	Jun 06, 05
Evidentiary Hearings	TBD**
Committee files Proposed Decision	TBD
Committee Conference on the Proposed Decision	TBD
Close of public comments on the Proposed Decision	TBD
Commission Decision	TBD

*This information is required before staff publishes the final SA/EA. The dates have been established from Data Responses provided on 11/30/04, workshops, staff estimates and on going discussions.

**To Be Determined